

Application for the MEA Offshore Wind Business Development Fund - Market Entry Assistance Grant Program

Instructions: Please read this application thoroughly. Since accurate information is important in ranking your application, please submit your application with required supplemental documents to explain your project, including all supporting materials.

Description of Grant Program:

The purpose of the Offshore Wind Business Development Fund (OSWBDF) Market Entry Assistance Grant Program (öGrant Programö or öProgramö) is to help Maryland businesses become integral participants in the burgeoning and dynamic offshore wind global market. The funds are intended to allow for the swift rollout of Maryland emerging businessesöproducts and services aimed at meeting specific near term finite business opportunities within the offshore wind sector. This Grant Program will help demonstrate industrial innovation and support company growth for certain Maryland emerging businesses, including minority businesses, seeking early entry into the offshore wind market. In meeting this goal, the Program will also help provide greater opportunities and job creation throughout the State.

Under this Grant Program, a Maryland emerging business including minority owned emerging business that is committed to becoming a new entrant in the offshore wind market is eligible to apply for grant funds to help reduce certain market entry barriers including certain costs and risks associated with establishing commercial offshore wind sector exports.

This grant program provides two types of grant assistance: **i) Administrative Costs Grant**, and **ii) Capital Equipment and Facility Upgrades Grant**. An applicant for either type of grant must provide a complete application and attach all required documentation, as explained below. Incomplete applications will not be considered.

Eligibility under this Grant Program

A Maryland business, meeting the statutory definition of öemerging businessö, including a minority-owned emerging business, may apply for an Administrative Cost Grant. The applicant must:

- Demonstrate that it is an "emerging business", which is defined as "a business that is at least 51% owned and controlled by an individual or individuals who are certified to have a personal net worth, as defined in § 14-301 of the State Finance and Procurement Article, that does not exceed \$6,500,000 as adjusted each year for inflation according to the consumer price index." Applicants may verify their eligibility with documents such as Articles of Incorporation, the last two years tax returns, and attestation of net worth.

Please note: Maryland Energy Administration reserves the right to request additional information.

Further, the applicant must have a proactive approach to enter the offshore wind sector and must:

- Demonstrate a knowledge and strategic interest in the global offshore wind market by summarizing the applicant's history of discussions, conferences or meetings associated with the business opportunity
- Provide sufficient factual detail concerning a specific business opportunity that it is pursuing that could result in a finite export, which may lead to future or ongoing export opportunities
- Provide a plausible plan explaining how the business opportunity may strengthen the Applicant's market position, as well as strengthen the State and Mid-Atlantic region's involvement in the offshore wind sector.

Maryland emerging businesses, including minority owned emerging businesses, meeting the above eligibility criteria may apply to either grant offered under this program. Please follow the details in the relevant sections below. Note, however, that similar terms and conditions will be required for both grants. A brief explanation of some of these terms and conditions are listed below.

Description of Grant Program

As part of the Offshore Wind Business Development Fund (OSWBDF) Market Entry Assistance Grant Program, the Maryland Energy Administration (MEA) will provide competitive grant awards to Maryland emerging businesses including minority businesses, to help defray specific costs that are required for bidding on a specifically identified business opportunity in the global offshore wind business sector. The grant funds may be used for administrative type expenses such as translation services for specifications and drawings and the purchase of technical specifications from publishers (ASTM, ASME, ANSI, etc.). In certain cases where travel is shown to be necessary (such as for conclusive bid negotiations) a portion of travel costs may be considered and included as part of the grant award. Currently, up to \$100,000 in funding is available for awards, with an individual award not to exceed \$25,000. MEA will accept applications on a rolling basis and will consider complete applications for monthly grant award determinations. All monies must be encumbered via a fully executed grant agreement between MEA and each successful applicant.

Application Requirements

The Applicant must have a facility within Maryland with a work force that will directly benefit through extended or new employment commitments from a grant given under this Program. Further, the applicant must have a specific business opportunity, within a high value industry sector of the offshore wind energy sector for which the applicant would like to submit a bid and to effectively utilize the grant funds within 4 months of the grant award.

APPLICATION DEADLINE: Monthly on a rolling basis by 11:59 pm, on the first Tuesday of each Month Commencing April 1, 2014

Business Name	Contact Name and Title
Project Address	Day Phone Cell Best time to call: <input type="checkbox"/> Morning <input type="checkbox"/> Afternoon
City, State and Zip Code (nine digit)	Fax E-mail Address
<input type="checkbox"/> Federal ID number <u>OR</u> <input type="checkbox"/> Social Security Number	
<input type="checkbox"/> DUNS number	
Correspondence Address (if different from Project Address)	
Type of Facility: <input type="checkbox"/> Manufacturing <input type="checkbox"/> Services <input type="checkbox"/> Other: _____	

Applicants must provide the following in the order set out below to provide a **complete** application:

⑩ EVIDENCE OF ELIGIBILITY: showing the applicant:

- is an "emerging business", which is defined as "a business that is at least 51% owned and controlled by an individual or individuals who are certified to have a personal net worth, as defined in § 14-301 of the State Finance and Procurement Article, that does not exceed \$6,500,000 as adjusted each year for inflation according to the consumer price index." Applicants may verify their eligibility with documents such as Articles of Incorporation, the last two years tax returns, and attestation of net worth. Please note: Maryland Energy Administration reserves the right to request additional information.

- has demonstrable knowledge and strategic interest in the global offshore wind market by summarizing the applicant's history of discussions, conferences or meetings associated with the business opportunity
 - is pursuing a finite business opportunity that could result in a commercial export of offshore wind products or services and which may lead to future or ongoing business. Specifically, the applicant must provide a description of the identified specific business opportunity in the offshore wind sector
 - has a plausible plan explaining how the business opportunity may strengthen the applicant's market position, as well as help position the Maryland and Mid-Atlantic region's involvement in the offshore wind sector.
- ⑩ **CERTIFICATE OF STATUS:** The applicant must include a current certificate of status provided by the [Maryland State Department of Assessments and Taxation](#) indicating that the entity is in good standing.
- ⑩ **BUSINESS OPPORTUNITY DESCRIPTION:** For the specific relevant part of the offshore wind industry sector the applicant seeks to enter, the Applicant must include a summary of: (1) the commercial opportunity, (2) the market potential, (3) any current or potential competitors, (4) the possible advantages the Maryland company can provide to potential purchaser of the applicant's goods, (5) the plausible market outlook and (6) the implication for potential job creation, skill set development and positioning Maryland with the offshore wind market.
- ⑩ **ITEMIZATION OF COSTS:** An itemized buildup of associated costs and supportive documents (such as estimates from professional translation service providers) for those cost sought under the grant application.
- ⑩ **TIMEFRAME:** The Applicant must provide a summary timeframe highlighting important deadlines, including critical decision points, future investments, retooling and personnel training and recruitment required to enter the market.

NOTE: Incomplete applications will not be reviewed.

The Application and Evaluation Process and Award Timeframe

MEA will begin taking applications on April 1st, 2014 and will continue to accept applications on the first Tuesday of each month on a rolling basis until funds are expended, or until MEA determines is appropriate. A review committee, selected by MEA's Director, will conduct monthly reviews each third Monday of the month (or subsequent working day, if this day falls on a holiday) commencing April 21st 2014. Efforts will be made to make any awards within 5 working days after the review committee have considered the applications.

Applications meeting the program requirements will be evaluated based on the following criteria:

- The proposed business opportunity and its strategic importance in developing Maryland's offshore wind supply chain
- The likelihood of success of the applicant's proposed business opportunity
- Cost-effectiveness of the proposed business opportunity
- Percentage of any matching or shared funds available to the applicant for the proposed business opportunity
- Demonstration or verification that either: the applicant's proposed practices or manufacturing is of equal or better standards than that presently used within the relevant export market; or that the applicant is providing an innovative approach, technology or methodology that will provide an advantage
- The proposed business opportunity could provide a projected, quantifiable increase in job opportunities in within the specified applicant's Maryland facility.

Timeframe:

The following are key dates and time frames in the program timeline:

- March 17th, 2014: The program opens for applications.
- April 1st, 2014: Applications submitted to MEA
- April 28th, 2014: Initial round of grant award decisions are announced.
- May 5th, 2014: Initial round of grant implementation agreements are executed.
- September 4th, 2014: The activities associated with the initial grant awards are completed.
- September 4th, 2014: Final invoices, report and other required documentation for the initial grants awards to be submitted to MEA.

Subsequent grants awarded after April 2014 follow the similar time schedule.

Grant Approval Process

The Grant Program team will rank applications and make one of four determinations for each application:

- É Issue a Grant Commitment Letter.

- É Require additional information.
- É Place the project on a waiting list in the event the program is fully subscribed and additional funding becomes available, or
- É Reject the application.

The MEA will send a letter to all applicants letting them know their application's selection status. If the application is selected for a grant, MEA will provide a commitment letter that:

- Explains the next steps and the primary MEA contact person
- Provides instructions about meeting various preliminary project requirements within a prescribed time window
- Provides any further needed instructions

After the applicant satisfies the preliminary project requirements, MEA will provide a Grant Agreement for signature. All grant awards are expressly contingent upon acceptance of all Program Terms and Conditions, execution of the Grant Agreement, and completion of the project in accordance with all Program requirements, as specified in the Grant Agreement.

NOTE: Successful applicants may apply for additional grants (both administrative cost and CAPEX & Facility upgrade grants) towards subsequent stages of their initial or subsequent offshore wind business opportunity. However, as these grants are intended to help all Maryland businesses, an existing grant recipient will most likely not receive awards within two consecutive cycles.

Description of the Grant Program

In Fiscal Year 2014, initial funding of up to \$600,000 is available for Maryland emerging businesses including minority businesses, to offset certain necessary costs to allow for early participation in the existing offshore wind sector, including in Europe and Asia. Individual grants in amounts ranging from \$100,000 to no more than \$500,000 may be awarded to Maryland's emerging businesses including minority owned emerging businesses. These funds are to be used to offset costs associated with capital equipment or facility upgrades necessary to provide and export offshore wind components or services under already secured contracts or conditional purchase orders. MEA will accept complete applications on a rolling basis and will make monthly grant award determinations every third Monday, (or the following working day if the third Monday is a holiday) commencing April 21st, 2014 until the funds have been awarded. All monies must be encumbered via a fully executed grant agreement between MEA and each successful applicant. Additional funding may be allocated in subsequent fiscal years, depending on the success of the program.

Grant funds are to be used to offset entry barrier costs that are restrictive or creating an abnormally high risk to the applicant, and which cannot be amortized within a normal rate of return for a new business development opportunity.

Application Requirements

The applicant must have a facility within Maryland with a work force that will directly benefit through extended or new employment commitments from a grant given under this Program. Further, the applicant must have a specific business opportunity, within a high value industry sector of the offshore wind energy sector for which it has a conditional commitment or purchase order and to effectively utilize the grant funds within 12 months of the grant award.

APPLICATION DEADLINE: Monthly on a rolling basis by 11:59 pm, on the first Tuesday of each Month Commencing April 1, 2014

Business Name	Contact Name and Title

Project Address	Day Phone Cell Best time to call: <input type="checkbox"/> Morning <input type="checkbox"/> Afternoon
City, State and Zip Code (nine digit)	Fax E-mail Address
<input type="checkbox"/> Federal ID number <u>OR</u> <input type="checkbox"/> Social Security Number	
<input type="checkbox"/> DUNS number	
Correspondence Address (if different from Project Address)	
Type of Facility: <input type="checkbox"/> Manufacturing <input type="checkbox"/> Services <input type="checkbox"/> Other: _____	

Applicants must provide the following in the order set out below to provide a **complete** application:



EVIDENCE OF ELIGIBILITY: showing the applicant:

- is an "emerging business", which is defined as "a business that is at least 51% owned and controlled by an individual or individuals who are certified to have a personal net worth, as defined in § 14-301 of the State Finance and Procurement Article, that does not exceed \$6,500,000 as adjusted each year for inflation according to the consumer price index." Applicants may verify their eligibility with documents such as Articles of Incorporation, the last two years tax returns, and attestation of net worth. Please note: Maryland Energy Administration reserves the right to request additional information.
- has a purchase order or conditional commitment to supply products or services for export as an early entry into an overseas offshore wind market. Specifically, the applicant must provide a description of the conditional business opportunity in the offshore wind sector
- has a plausible plan explaining how the business opportunity may strengthen the applicant's market position, as well as strengthen the State and Mid-Atlantic region's involvement in the offshore wind sector.

- ⑩ **CERTIFICATE OF STATUS:** The applicant must include a current certificate of status provided by the [Maryland State Department of Assessments and Taxation](#) indicating that the entity is in good standing.
- ⑩ **BUSINESS OPPORTUNITY DESCRIPTION:** For the specific relevant part of the offshore wind industry sector the applicant seeks to enter, the Applicant must include a summary of: (1) the commercial opportunity, (2) the market potential, (3) any current or potential competitors, (4) the possible advantages the Maryland company can provide to potential purchaser of the applicant's goods, and (5) the plausible market outlook. In addition, the applicant is expected to describe (6) both best and the worst business case scenarios for the business opportunity and (7) associated risks.
- ⑩ **DESCRIPTION OF MARKET BARRIER:** Provide a short summary of the barriers to entry that the applicant has seen or anticipates seeing in pursuing this specific business opportunity. Specify describe how the available funding will help to overcome these barriers and make the proposed export commercially viable.
- ⑩ **JOB TRAINING AND SKILLS DEVELOPMENT:** Describe all anticipated job training and how the applicant intends on obtaining it. Provide a best estimate of the number and the types of jobs to be created, with an emphasis on low or moderate entry level jobs. Indicate if the jobs will be sustainable and what contingency plans the applicant will propose to its employees if the business opportunity does not materialize.
- ⑩ **ITEMIZATION OF COSTS:** provide a justification explaining why the capital equipment or facility upgrades is needed to pursue this specific business opportunity. Specifically, this should take form of an itemized buildup of associated costs and supportive documents (supporting documentation that verifies the applicant's installed cost of the proposed capital equipment or facility upgrade). Specify all itemized costs associated with the capital equipment or facility upgrades necessary to pursue the business opportunity. The applicant should include both material and labor and any bids associated with relevant costs. All math and assumptions should be shown. Provide a description for fund expenditure within and outside of Maryland. The Applicant should demonstrate that at least 90 percent is for use within Maryland.
- ⑩ **INVESTMENTS:** Applicants must provide a **summary of other available funding, including leveraged funds** and explain the additional available funding (both existing and potential) that the applicant may access:
 - to pursue the specified business opportunity
 - for the necessary capital equipment or facility upgrade.
- ⑩ **FINANCIAL VERIFICATION:** Applicants should provide:

- Financial Statements that demonstrate the financial health of the applicant and the projected impact of the sought business opportunity on the business's cash flow over the duration of the grant period.
 - A financial plan for the subsequent 12 months showing monthly fund allocation both of grant funds and from other sources for the CAPEX or facilities upgrade relevant to the offshore wind business opportunity.
- ⑩ **POTENTIAL FUTURE SUPPORT FOR MARYLAND'S BUSINESSES ENTERING THE OFFSHORE WIND INDUSTRY.** Indicate the applicant's willingness to support other Maryland businesses in reducing some of the high cost market entry barriers if it achieves its projected success within the offshore wind sector. The applicant should state how it plans on achieving its commitment, including voluntarily providing future financial contributions towards the Offshore Wind Business Development Fund. Timeframes and other relevant quantifiable information should support the applicant's potential commitment. This information will help MEA plan for future availability of grant funding for other Maryland emerging businesses including minority emerging businesses seeking entry into the offshore wind sector. Letters of support and assurance from other known Maryland businesses concerning this voluntary commitment will be considered. The applicant may also consider providing a financial outlook plan indicating how and when the applicant would expect to replenish the fund and under what circumstances.
- ⑩ **TIMEFRAME:** The Applicant must provide a summary timeframe highlighting important deadlines, including critical decision points, future investments, retooling and personnel training and recruitment required to enter the market.

NOTE: Incomplete applications will not be reviewed.

The Application and Evaluation Process and Award Timeframe

MEA will begin taking applications on March 17th, 2014 and will continue to accept applications on the first Tuesday of each month on a rolling basis until funds are expended, or until MEA determines is appropriate. A review committee, selected by MEA's Director, will conduct monthly reviews each third Monday of the month (or subsequent working day, if this day falls on a holiday) commencing April 21st 2014. Award announcements will be made within approximately 10 working days after the review committee have considered the applications.

- The grant funds will be issued as reimbursements against invoices or receipts. The Applicant must incur the expenses within 12 months of award, unless MEA has approved a request for extension. Any request for extension shall be provided to MEA in writing

How to Apply

MEA will begin taking applications on March 17th, 2014 and will continue to accept applications until funds are expended, or until MEA determines is appropriate. A review committee, selected by MEA's Director, will conduct monthly reviews each third Monday of the month (or subsequent working day, if this day falls on a holiday) commencing on March 21st, 2014. Efforts will be used to announce grant awards within 10 working days after the review committee determinations.

Evaluation Criteria

Applications meeting the program requirements will be evaluated based on the following criteria:

- The specific business opportunity's strategic importance to establishing Maryland's offshore wind sector supply chain
- The viability of the specific business opportunity (including the level of risk associated with the proposed project and potential for success)
- The specific business opportunity's projected quantifiable increase in jobs for Marylanders, both with and without job training.
- The advantages that the proposed project will bring to Maryland and the Mid-Atlantic, including the level of future support of the Off Shore Wind Development Fund committed to by the Applicant.
- The strength of the applicant's manufacturing practices or standards and the potential advantage that it may provide in the relevant market (if they are of an equal or better standard than that presently used within the relevant sector or whether they include an innovative approach, technology or methodology).

Time Frame:

The following are key dates and time frames in the program timeline:

- March 17, 2014: The program opens for applications.
- April 1, 2014: Initial round of applications should be received by MEA for April 21st review
- May 5th, 2014 ó Initial round of grant award decisions are announced
- May 12th, 2014: Initial round of grant agreements are signed.

- May 11th, 2015: Activities associated with the initial grant award are completed.
- May 12th, 2014 - May 11th, 2015: Reimbursement made against invoices received and accepted by MEA
- May 11th, 2015: Final invoices, reports and other required documentation must be submitted to MEA. Subsequently awarded grants within FY 2014 to follow the similar time schedule.

Grant Approval Process

The Grant Program team will rank applications and make one of four determinations for your project:

- É Issue a Grant Commitment Letter.
- É Require additional information.
- É Place the project on a waiting list in the event the program is fully subscribed and additional funding becomes available in an existing or following fiscal year or
- É Reject the application.

The MEA will send a letter to all applicants letting them know their project's selection status. If your application is selected for a grant, MEA will provide a commitment letter that:

- É Explains the next steps in the grant application process and provides the MEA contact person
- É Provides instructions about meeting various preliminary project requirements within a prescribed time window.

After the applicant satisfies the preliminary project requirements, MEA shall provide a Grant Agreement for signature. All grant awards are expressly contingent upon acceptance of all Program Terms and Conditions, execution of the Grant Agreement, and completion of the project in accordance with all Program requirements, and conditions.

1. I understand that applications are accepted and grants are awarded on a competitive basis, with applications to be **e-mailed no later than 11:59 p.m. Eastern Time, on the first Tuesday of the month in which I wish to be considered.** , Applications must be submitted electronically to Ross.Tyler@Maryland.gov
2. I certify that this facility is located in the state of Maryland, and I understand that all grant-funded activities must stay within Maryland. If the Maryland facility, with its work force, is relocated outside of the state within seven years of grant award, MEA will require the grantee

SUMMARY OF CERTAIN CONDITIONS FOR BOTH ADMINISTRATIVE AND CAPEX & FACILITIES UPGRADE GRANTS

to immediately reimburse the funds awarded. This condition will be included in the Grant Agreement.

3. I understand that this application does not guarantee that I will be awarded a grant.
4. To be eligible for grant funding, I understand that the equipment may not be purchased or installed prior to notification of the grant award.
5. Under penalties of perjury, I, the Applicant, certify that: Federal ID# and/or social security number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and I am a U.S. citizen or other U.S. person (as defined in IRS Form W-9).
6. I understand that any grant received through this program is taxable as income. Therefore, the Maryland Energy Administration will be sending a 1099-G form to each grant recipient and any grant award shall be reported as income on federal and state tax returns. For more information, applicants should contact a qualified tax professional.
1. I will allow authorized representatives of the MEA access to my facility in order to conduct site inspections or verification activities.
2. I understand the program terms & conditions are subject to change.
3. I understand that any grant payment will be contingent upon the successful inspection of the equipment installed.
4. Any grant funds associated with a grant award will be issued as reimbursements against invoices or receipts. Recipients of the Administrative Cost grant, must incur the expenses within four months of award and recipients of the CAPEX & Facilities Upgrade grant must incur the expenses within twelve months of award, unless MEA has approved a request for extension. Any request for extension shall be provided to MEA in writing within three months of award and must include a detailed explanation of the reason for the delay.
5. Grantees are expected to work with MEA to showcase successful project in case studies shared through newsletters, web sites, videos, or other educational vehicles.
6. Authorized representatives of MEA must be allowed sufficient access to the grantee's financial documents and other documents regarding the potential business opportunity for verification purposes and to document the project as a case study.

7. Any grant payment is contingent upon verification of the specific business opportunity identified by the applicant. The applicant must remain in compliance with all program requirements, terms and conditions.
8. Upon the completion of the project, the Grantee must provide MEA a written report detailing: (1) each expenditure, along with invoices and receipts, and (2) the nonproprietary (commercial) lessons learned about the export and bid process that could be helpful to other non-competing Maryland businesses seeing early entry offshore wind export opportunities.
9. Any information provided as a part of the application is subject to the requirements of the Maryland Public Information Act, § 10-611 et seq. of the State Government Article, MEA and its representatives will not divulge any "confidential information" or "trade secrets" that is clearly marked.
10. I certify that I am an authorized signatory for the Applicant/Business.

Authorized Applicant Signature: _____

Name and title (please print): _____

Business Name: _____

Date: _____

Follow these steps for successful application submission:

- ⑩ When you have completed your application, go to the File menu and select "Save As" and then "PDF".
- ⑩ Rename your file using the following naming convention:
"LASTNAME_BUSINESSNAME_MMDDYY". For example, an application submitted by John Smith for ABC Company on April 1, 2014 would look like this:
"SMITH_ABCCompany_040114".
- ⑩ Once the file has been saved and renamed, email it as an attachment along with the required supporting documents to Ross.Tyler@Maryland.gov using the subject line "MDOSW DF Market Entry Assistance Grant Program"

- ⑩ Email transmissions are limited to 20 MB each. If your files are too large for a single transmission, please number your transmissions consecutively on the subject line (e.g., "MDOSW DF Market Entry Assistance Grant Program ó Part 1ö).
- ⑩ You should receive a confirmation e-mail within 24 hours of your submission. If you do not receive a confirmation email within 24 hours, please contact Ross.Tyler@Maryland.gov